

AMENDED IN SENATE MAY 13, 2003
AMENDED IN SENATE APRIL 30, 2003
AMENDED IN SENATE MARCH 27, 2003

SENATE BILL

No. 314

Introduced by ~~Committee on Transportation (Senators Murray (Chair), Figueroa, Florez, Karnette, Perata, Scott, Soto, and Torlakson)~~ Senator Murray

February 19, 2003

An act to add Section 130350.5 to the Public Utilities Code, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

SB 314, as amended, Committee on Transportation. Transportation funding: County of Los Angeles.

Existing law provides for the establishment of various local transportation authorities, and empowers those authorities, under certain conditions, to impose local transactions and use taxes for the funding of local transportation purposes.

This bill would authorize the Los Angeles County Metropolitan Transportation Authority to impose, in addition to any other tax that it is authorized to impose, a transactions and use tax at the rate of 0.5% for 5 years or less, for the funding of specified transportation-related projects. This bill would condition the imposition of a tax under this authority upon voter approval as otherwise required by law, *and would prohibit the authority from either newly incurring bonded indebtedness or expending revenues derived from bonded indebtedness to fund those projects.*

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 130350.5 is added to the Public Utilities
2 Code, to read:
3 130350.5. (a) In addition to any other tax that it is authorized
4 by law to impose, the Los Angeles County Metropolitan
5 Transportation Authority may impose, in compliance with
6 subdivision (b), a transactions and use tax at a rate of 0.5 percent
7 that is applicable in the incorporated and unincorporated areas of
8 the county.
9 (b) For purposes of the taxing authority set forth in subdivision
10 (a), all of the following apply:
11 (1) The tax shall be proposed in a transactions and use tax
12 ordinance, as described in the Transactions and Use Tax Law (Part
13 1.6 (commencing with Section 7251) of Division 2 of the Revenue
14 and Taxation Code) except as inconsistent with this section, that
15 is approved by a majority of the entire membership of the
16 authority.
17 (2) The tax may be imposed only if the proposing ordinance is
18 approved by the voters in the manner as otherwise required by law
19 and, if so approved, shall become operative as provided in Section
20 130352.
21 (3) The proposing ordinance shall specify, in addition to the
22 rate of tax and other matters as required by the Transactions and
23 Use Tax Law, both of the following:
24 (A) That the tax is to be imposed for a period of five years or
25 less.
26 (B) That revenues derived from the tax, net of refunds and costs
27 of administration, are to be expended, ~~whether directly for project~~
28 ~~expenses or for debt service,~~ *expended* exclusively for the
29 following purposes:
30 (i) The Exposition Boulevard Light Rail Transit Project.
31 (ii) The construction of sound walls included in the authority's
32 list of soundwall projects for the County of Los Angeles.
33 (iii) Expansion of the capacity of the Interstate 405 freeway.
34 (iv) The Crenshaw transit line.
35 (c) *The authority may not do either of the following:*



1 *(1) Incur bonded indebtedness for the funding of the projects*
2 *specified in this section.*

3 *(2) Expend revenues derived from bonded indebtedness to fund*
4 *the projects specified in this section.*

5 *(d) Notwithstanding Section 7251.1 of the Revenue and*
6 *Taxation Code, the tax rate authorized by this section may not be*
7 *considered for purposes of the combined rate limit established by*
8 *that section.*

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